FAVORABLE

OIG WATCH

19-03

Free in-home CHF/COPD care after discharge from hospital

CABRA CONSULTING

What OIG Said

OIG said free follow-up care can be permissible, but it's still remuneration and must be defensible.

- ✓ OIG reviewed a hospital's program offering free, in-home paramedic visits for 30 days after discharge to CHF and COPD patients at high risk of readmission.
- ✓ OIG said this does constitute remuneration, which means it could raise Anti-Kickback and Beneficiary Inducement concerns.
- ✓ But they found it low risk because the program wasn't marketed, wasn't linked to referral pressure, didn't involve FMV violations, and didn't generate claims or shift costs to payors.
- ✓ Patients were only eligible after they had already selected the hospital for care, and could still choose any provider for unrelated services, reducing inducement risk.

CABRA CONSULTING

Diligence Checklist

What you need to be ready to show in diligence

- ✓ Show that no employees or contractors are compensated based on enrollment or patient volume.
- ✓ Prove that the free services are not advertised, promoted, or used to attract new patients.
- ✓ Document that patients only become eligible after choosing the hospital or clinic for care, not before.
- ✓ Keep records showing no billing to Medicare, Medicaid, or private payors for these services.
- ✓ Have internal documentation supporting that the service scope is clearly defined, limited in duration, and tied to clinical risk.

If you're offering free care and can't prove it's clinically necessary, narrowly scoped, and not used for steerage, OIG may treat it as an inducement.

CABRA CONSULTING

Structure not diligence-ready?

Cabra Consulting helps healthcare organizations make sure compensation and transaction structures are independently valued, clearly scoped, and defensible in diligence.

CABRA CONSULTING